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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT AGENCY
Washington, D. C.

April 23, 1945

Procedure for 1945 Winter Cover Crop Seed Purchase Program

Under the 1945 Seed Purchase Program crimson clover, hairy vetch, and common ryegrass seed produced in 1945 by eligible producers will be purchased by Commodity Credit Corporation and distributed by the AAA as conservation material. Purchases of seed offered by eligible producers will be made in all producing areas. The operation of the winter cover crop seed purchase program will be a responsibility of State and county agricultural conservation committees and in the States of the East Central and Southern Regions will be conducted in accordance with the procedure outline below.

PART I - COUNTY OFFICE PROCEDURE

- A. Eligible Seed and Eligible Producers - Seed eligible to be purchased under the program is hairy vetch, crimson clover, or common ryegrass seed meeting the minimum eligibility specifications shown on the attached schedule of specifications and prices, and which was produced in 1945 by eligible producers.

An eligible producer is any person, partnership, association or corporation producing or harvesting seed in 1945 as landowner, landlord, tenant or custom harvester on the farm on which the seed was produced.

- B. Basis of Purchase - The base prices shown on the attached schedule will be paid for seed of specifications equal to or better than the base specifications. For seed meeting the minimum eligibility requirements, but of lower quality than the base specifications, the applicable discounts shown will apply.

Purchases will be made on the basis of clean seed delivered in approved bags to cooperating seed handlers. Bags will be furnished by the producer and any cleaning expense necessary to prepare seed to meet the specifications will be the responsibility of the producer. Laboratory testing for seed purchased will be assumed by the AAA through payments to cooperating seed handlers, but charges for any tests made on seed offered which does not meet specifications will be the responsibility of the producer.

- C. Approved Bags - Seed may be packaged either 100 or 150 pounds net weight per bag. Approved bags shall be of seamless or double-seamed construction, of cotton material equal to not less than 30-inch 7-ounce per yard Osaburg for 100-lb. containers, with corresponding increase in strength for 150-lb. containers. Hairy vetch and ryegrass may also be packaged in burlap bags (8oz. or heavier material). All bags must be in serviceable condition to withstand handling and shipment.

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- D. Memorandum of Understanding with Seed Handlers - Eligible seed offered by producers will be purchased by the Commodity Credit Corporation acting through the county agricultural conservation association. The seed will be assembled by seed dealers, cooperative associations, or others having adequate facilities for handling the seed, who have agreed in Memoranda of Understanding with the county committee to provide certain services in connection with seed purchased under the program. Such parties are hereafter referred to as "seed handlers".

The seed handler will be responsible for receiving the seed, securing an official purity and germination test, tagging, maintaining identity of each lot of seed purchased, storing until the seed can be shipped, and loading into cars or other conveyances in accordance with shipping instructions. He will also issue to the producer delivering seed a CCC Purchase Form A, "Memorandum of Purchase" properly signed by him and showing the amount and kind of seed delivered, and the results of the official purity and germination test. For the services performed the seed handler will be recompensed by the county association in accordance with the provisions of the Memorandum of Understanding, copy of which is attached.

Expenses incurred by county associations in connection with the seed purchase program will be paid by the county association in the usual manner from funds made available to them. All such expenses shall be reported on the monthly summary of expenses as a conservation materials expense.

The county committee may enter into agreements with more than one seed handler in the county if it is found desirable because the volume of seed expected to be offered is large, or if no one seed handler is accessible to all growers; but the number of seed handlers should be limited to the extent that seed acquired may readily be shipped without reassembly. In counties with limited seed production it may be necessary to select a seed handler located outside the county. A cooperating seed handler should preferably be equipped to clean for the producer the seed offered for sale and must be in position to store the seed until sufficient lots are assembled for shipping. It is the responsibility of dealers who have executed "Memoranda of Understanding" with county associations to include in shipments only seed which can be distributed under the seed laws and regulations of the State to which the shipments are consigned. The agreement provides that dealers will properly tag each bag of seed and record on each tag all the information required under Federal and State seed laws, and that he will be responsible for the representations made on the tag.

The attached Memorandum of Understanding between the county committee and the seed handler should be executed in triplicate, one copy for the seed handler, one copy for the county committee, and one copy to be sent to the State office. No record of the agreement with the seed handler need be forwarded to the Commodity Credit Corporation. When the executed copy of the Memorandum of Understanding is received by the State office, a supply of Memorandum of Purchase Forms will be furnished the county for the seed handler who may thereafter receive from farmers seed offered under the plan. Memorandum of Purchase Forms are serially numbered and a record must be kept of the numbers of all such forms received in the county, issued to seed handlers, used by them and returned unused.

E. Execution of Memorandum of Purchase - When seed offered under the plan is delivered to a seed handler, he will identify the seed by a lot number and have an official sample taken, from which an official purity and germination test will be made. Upon receipt of an official test certificate showing analysis equal to or better than the required minimum specifications, CCC Purchase Form A, "Memorandum of Purchase", will be executed as follows to consummate the sale:

Section I. Description of Commodity and Dealer's Certification: The seed handler will enter the commodity, for example, "crimson clover seed", lot number, number of bags, price per cwt., and total amount, in the appropriate spaces on the first line of the form. On the second line will be entered the official purity and germination test in the appropriate spaces. The printed words "purity for mixtures" will be stricken out and the information shown on the official test certificate with reference to noxious weed seed content, total weed seed content, and other crop seed content will be entered on the form on the right half of the second line.

The name and address of the producer offering the seed, the loading point, the address of the seed handler, and the signature of the seed handler will be entered in the spaces provided.

Section II. Producer's Representation and Warranty: The blank spaces in the upper part of the section will be filled in to indicate the year, county, and state. In the body of the section will be entered the names and addresses of any parties to whom the producer wishes to direct the payment of any part of the purchase price, together with the amounts of such payments. There should always be entered the name and address of the producer and the amount of payment that is to be made to him, in order that the total amount shown in Section II may equal the amount shown in Section I. The producer will sign in the space provided.

Section III. List of Lienholders and Their Waivers: In Section III there will be listed the names and addresses of any persons holding liens against the seed, and the amounts of such liens. The list should include all liens of record and also all other liens which are considered by state law to be valid without recording, such as mechanic's or thresherman's liens. The producer must secure the waivers of all liens by signatures of the lienholders in the spaces provided on the form in order for the Memorandum of Purchase to be approved.

Section IV. County Committee's Certification: The Memorandum of Purchase will become effective upon certification by a member of the county committee in Section IV. The certification may be made only if:

1. All required enteries have been properly made on the form.
2. The seed offered by the producer were produced in 1945 and meet the required minimum specifications with respect to germination, purity, and contain not more than the maximum crop seed.

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3. The rate of payment as shown on the Memorandum of Purchase is correct.
4. It is determined that the producer offering the seed is eligible to participate in the seed purchase program.
5. The signature of each lienholder whose name is listed in Section III is affixed as evidence of waiver of his lien.

Upon approval of the Memorandum of Purchase by the county committee, the original and two carbon copies will be forwarded to the State office; of the remaining carbon copies, one will be given to the producer, one will be forwarded to the seed handler, and one will be retained in the county office. The Commodity Credit Corporation will mail check(s) directly to the payee(s) shown on the Memorandum of Purchase upon receipt of audited copy from the State office.

Accompanying the first Memorandum of Purchase forwarded to the State office should be specimen signatures of members of the county committees. Payment to producers will not be made unless specimen signatures of those authorized to sign the forms are on file with the Commodity Credit Corporation.

- F. Shipment of Seed - The county committee of the county in which seed is stored will receive shipping instructions on seed from the State office on Forms ACP-66. Where shipment is to be made by common carrier, a Government bill of lading prepared in the State office will accompany the order. The bill of lading and Form ACP-66 should be transmitted to the seed handler as shipping instructions after having been recorded by the county office. The seed handler will make shipment of lots of seed showing by analysis no seeds of weeds named as noxious by the laws of the State to which shipment is to be made. There will be noted on all copies of the bill of lading the number and size of bags of each lot included in the shipment. Distribution of copies of bills of lading will be in accordance with the instructions contained thereon.
- G. Records of Purchases, Shipments, and Stocks of Seed - The county office copies of Memorandum of Purchase forms will constitute a record of seed acquired under the Program. These should be listed currently by farm serial number, lot number of seed covered, and pounds of seed, so that a cumulative record of purchase is always available. A careful record should also be kept of the shipping orders received from the State office and of the number of bags of seed of each lot shipped in accordance with these orders. A weekly inventory by lot numbers should be taken of all lots of Government-owned seed in the hands of seed handlers.

A report should be forwarded the State office each week by each county association which has executed a Memorandum of Understanding with a seed handler, showing for each seed handler:

1. The number of producers selling seed.
2. The pounds of seed purchased to date.
3. The pounds of seed shipped to date in accordance with instructions received.
4. The pounds of seed on inventory in the hands of the seed handler.

PART II - STATE OFFICE PROCEDURE

- A. Official Samples and Tests - The State committee should determine for the guidance of county committees the method by which official samples will be taken and the laboratory or laboratories that will perform official purity and germination tests of seed offered under the program in the State. To the fullest extent possible it is desirable that samples be taken by a State inspector and that tests be performed by the State seed laboratory. It is necessary that the inspectors and laboratories be prepared to handle the expected volume of samples and tests without delay, since seed producers can not receive payment until test reports are received. In addition, it is necessary that seed be available for shipment as early as possible in order to be properly used during the planting season. It is suggested that the State committee or one of its members confer with officials of the State seed laboratory and determine whether the State laboratory will be able to handle satisfactorily the volume of tests required. If not, reputable seed laboratories operated by licensed seed analysts should be designated as ones by which purity and germination tests may be made and arrangements should be made to have samples of seed drawn by representatives of the county committees. Procedure for the correct sampling of seed will be furnished from this office upon request.

There should be secured for each sample a report showing the rate of occurrence, if any, of weed seeds named as noxious by the laws of one or more of the States of the Region. Any crimson clover seed containing no noxious weed seed named by the law of the State in which produced is eligible for purchase, but lots selected for shipment to another State must contain no seeds of weeds named as noxious by the State into which shipment is to be made. For other seeds, the rate of occurrence of noxious weed seed must be shown on the seed tag, and purchases and shipments must exclude weed seeds prohibited by State laws. A list of the noxious weeds for each State to which shipment is expected should be furnished each seed handler for his guidance in selecting lots for shipment.

- B. Supplies of Memoranda of Purchase Forms and Seed Tags - Upon receipt of an executed Memorandum of Understanding between a county committee and a seed handler, the State office will provide the county with a supply of Memorandum of Purchase forms and seed tags (Form ACP-114). A record should be maintained of the serial numbers of all Memorandum of Purchase forms issued.

Supplies of Memorandum of Purchase forms and seed tags will be forwarded State committees upon request.

- C. Records of Agreements, Purchases and Stocks of Seed - The State will maintain a file of Memoranda of Understanding executed between county committees and seed handlers and will furnish the Regional office with a list of all such agreements.

As executed Memorandum of Purchase forms are received in the State office they will be audited promptly to verify the fact that the entries are in proper form showing purchase of eligible seed at the specified price. The original and first carbon copy of audited forms will then be forwarded to the Commodity Credit Corporation, 208 La Salle Street, Chicago, Illinois, for direct payment to the producer. The third copy received will be retained in the State office.

except that any memorandum covering seed delivered to a seed handler located in another State who is also receiving seed produced in that State, will be forwarded the State office of the State in which the seed handler is located, in order that shipment may be made with other lots assembled by the handler.

From the executed copies of Memoranda of Purchase received in the State office a current record will be maintained of the amounts of seed purchased and the location of seed acquired. This record will be checked weekly with the reports received from the county associations.

The Regional office will be advised weekly of the total amount of seed purchased through each seed handler with whom a Memorandum of Understanding has been executed.

- D. Shipping Instructions - The State office will determine from what stocks shipment will be made and will issue shipping instructions to county associations for seed acquired under the program which is to be furnished as conservation material. Instructions for shipments to be made to counties outside of the State will be received from the State office of the State to which shipment is requested on Form ACP-66. For shipments to be made within the State the State office will prepare Form ACP-66 on the basis of requests received from county associations.

For all shipments which are to move by common carrier the State office will issue a Government Bill of Lading covering the movement of the seed. This bill of lading together with Form ACP-66 will be forwarded with shipping instructions to the county association of the county in which seed has been acquired.

Attachments

1945 WINTER COVER CROP SEED PURCHASE PROGRAM
 SCHEDULE OF SPECIFICATIONS AND PRICES
 East Central and Southern Regions

Base Specifications	Crimson Clover	Hairy Vetch	Common Ryegrass
Germination (Live seed including hard seed)	85%	90%	90%
Pure Seed	98%	95%	98%
Base price per cwt.	12.50	13.00	8.50
<u>Applicable Discounts per cwt. for</u>			
Each 1% below base specifications		.16	.10
Germination (For crimson clover seed with germination of less than 85% the following prices will apply: 80% to 85%, \$12.00 per cwt.; 75% to 80%, \$11.50 per cwt.)			
Pure Seed	.20	.09	.10
<u>Minimum Eligibility Specifications</u>			
Germination	75%	70%	75%
Pure Seed	96%	70%	95%
Total Winter Legumes	--	98%	--
Noxious weed - maximum	None	--	--
Weed seed - Maximum	1.0%	--	2.0%
Other crop seed - Maximum	2.0%	--	--

Where no entries appear, no requirements or discounts have been established.

MEMORANDUM OF UNDERSTANDING FOR HANDLING
WINTER COVER CROP SEED OF 1945 PRODUCTION

This Memorandum of Understanding, made and entered into this _____ day of _____, 1945, by and between the _____ County Agricultural Conservation Association, whose address is _____, hereinafter referred to as the "county association", and _____, with principal place of business at _____, hereinafter referred to as the "seed handler", who _____ has _____ facilities for cleaning seed (capacity for cleaning _____ pounds per _____ has not _____) and has available or will make available facilities for storing _____ day _____ week _____ bags of seed and whose shipping point is on _____, _____ railroad(s) in the city of _____, State of _____.

A. The seed handler agrees:

1. That he will deliver to the county association CCC Purchase Forms A, "Memorandum of Purchase", signed by producers; will cause official samples to be taken; and will secure official purity and germination tests at his own expense on each lot of seed represented by a Memorandum of Purchase. Each Memorandum of Purchase will show kind of seed, lot number, amount, purity determination, germination test, and the name of the producer who delivered the seed.
2. That he will completely fill out and attach to each bag of each lot a tag showing the lot number, net weight of seed, the name of the kind, and/or variety, percentage of pure seed, percentage of other crop seed, percentage of inert matter, percentage of weed seeds, the name and number of noxious-weed seeds in accordance with the law and regulations of the State in which the seed is grown or into which the seed is shipped, the percentage of germination, the percentage of hard seed, if any, the date of the germination test, and the name of the county and State in which the seed is grown, including any other information which may be required by the Federal Seed Act or the seed law of the State to which the seed is consigned. Blank tags will be furnished by the county association.
3. That he will assemble lots and load cars, trucks, etc., in accordance with shipping instructions furnished by the county association and will bill them out in accordance with these instructions.

4. That he will store, up to the capacity made available by him, the seed acquired by him on behalf of the Commodity Credit Corporation for the period of time requested by the county association.
5. That he will take all necessary steps to maintain and protect the identity of all lots of seed and will make and preserve a complete record of the location, movement, and disposition of each lot of seed in accordance with instructions furnished by the county association.
6. That in case of loss or damage from any cause other than fire or Act of God, occurring after the Memorandum of Purchase is approved by the county committee, he will assume full financial responsibility for such loss or damage and will restore all reclaimable seed to the condition such seed were in prior to occurrence of such loss or damage, replacing bags, if necessary.
7. That in case of failure to perform any of the foregoing services, where applicable, he will forfeit an amount equal to the fee which he would otherwise receive for handling the seed involved.

B. The County Association agrees:

1. That it will issue shipping instructions, upon receipt of orders, as rapidly as such seed can be assembled in carload lots or for other practicable means of transportation to desired destinations.
2. That it will cause to be paid to the seed handler at the end of each month the sum of:
 - (a) Fifty cents for each hundredweight of seed for which a Memorandum of Purchase has been approved by the county association and which has been shipped in accordance with shipping instructions furnished by the county association. Storage for a period not exceeding 30 days from the date the Memorandum of Purchase was approved is included in this payment.
 - (b) Fifty cents per ton per month for storage beyond 30 days from the date Memorandum of Purchase was approved by the county committee, on any seed stored at the request of the county association. Storage for fractions of a month will be paid for on a pro rata basis.
3. That it will reimburse the seed handler for the cost of the bags, and for recleaning if necessary, in case of loss or damage due to fire or an Act of God occurring after the Memorandum of Purchase is approved by the county committee.

CC. The seed handler and county association agree:

1. That, for the purpose of this agreement, the following terms shall be construed to mean, respectively:

- (a) LOT - A number of bags of seed of like quality grown by one producer..
- (b) TAGGING - Placing securely by means of a wire, seal, or hook, a tag for the purpose of identification.
- (c) LOADING OUT - Placing a specified number of bags in a railroad car or other conveyance in a workmanlike manner.
- (d) STORING - Caring for in accordance with good storage practice of any lot of seed for which a Memorandum of Purchase has been approved by the county committee.
- (e) OFFICIAL SAMPLE - Sample taken by a licensed State inspector, his designated representative, or a duly qualified person designated by the county committee.
- (f) OFFICIAL PURITY AND GERMINATION TEST - Test issued by a State seed laboratory, the U. S. Department of Agriculture, or an approved seed laboratory designated by the county association.

IN WITNESS WHEREOF, The parties hereunto subscribed their signatures as of the date first above written.

County Agricultural
Conservation Association

By _____ Chairman,
County Committee

WITNESS:

(Seed Handler)

_____ By _____

Title _____

